

Hindalco Industries Ltd

Performance Review FY 2009

Presentation to the Investors

June 30, 2009

Highlights FY 2009.....



Financial Highlights

- Cash from operations of Rs 3,170Cr, significant jump over FY08
- Reduced leverage through successful takeout of Bridge

Strong Operating Performance

- Surpassed 0.5 Mn tonnes aluminium production for the first time
- Maintained & indeed sharpened our cost leadership

Maintaining growth Momentum

- Hirakud & Muri brown field expansion completed
- Green-field projects well on track at benchmark capex

Rs Crores	FY08	FY09	Change (%)
Net Sales	19201	18220	-5.1%
PBDIT	3894	3673	-6%
PBT	3026	2690	-11.1%
PAT (before write-back)	2320	2079	-10.4%
PAT (after write-back)	2861	2230	-22.1%
EPS (Basic)	22.23	14.82	-33.3%

Aluminium Standalone: Performance at a glance



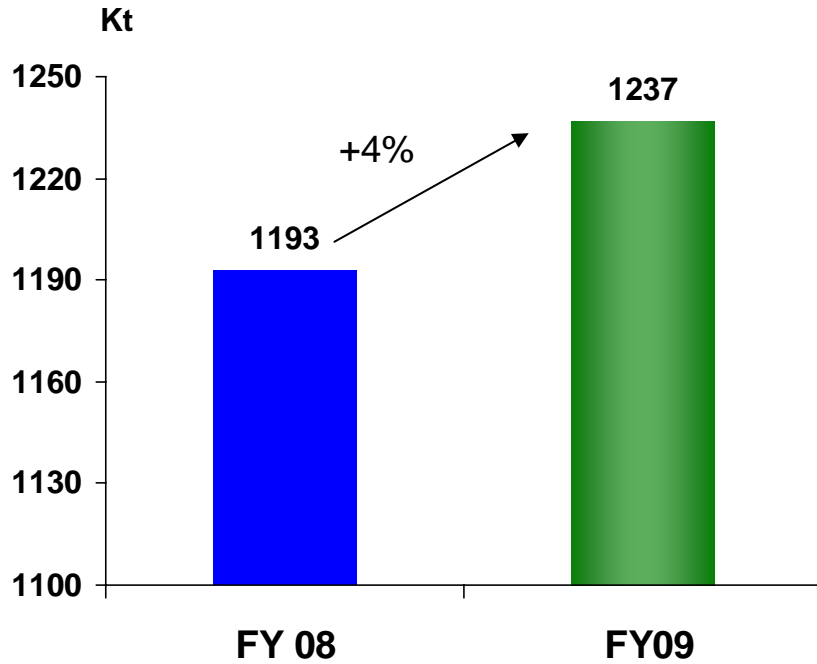
Rs Crores	FY 2008	FY 2009	Change (%)
Net Sales & Operating Revenue	7145	7604	6.4%
EBIT	2423	2158	-10.9%

Highest ever output.....

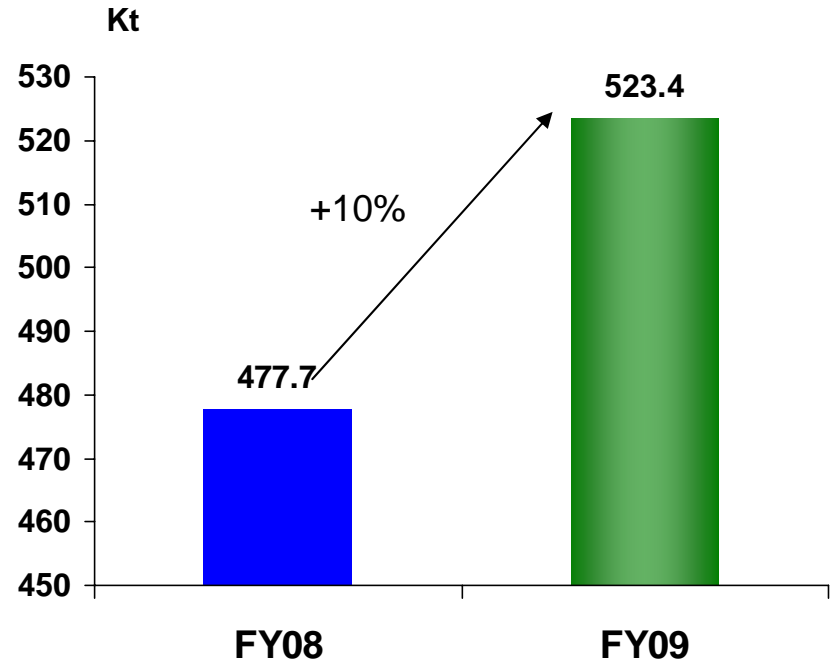


Alumina (Hydrate)

YOY



Aluminium



Copper: Performance at a glance



Rs Crores	FY 2008	FY 2009	Change (%)
Net Sales & Operating Revenue	12066	10625	-11.9%
EBIT*	503	379	-24.6%

* EBIT includes notional non-cash translational loss – Rs. 202 crs loss in FY 09 vis a vis FY 08.

FY 2008 VS FY 2009

Copper Anode* **down 6%**

Copper Rod **Up 4%**

Fertilisers **Up 14%**

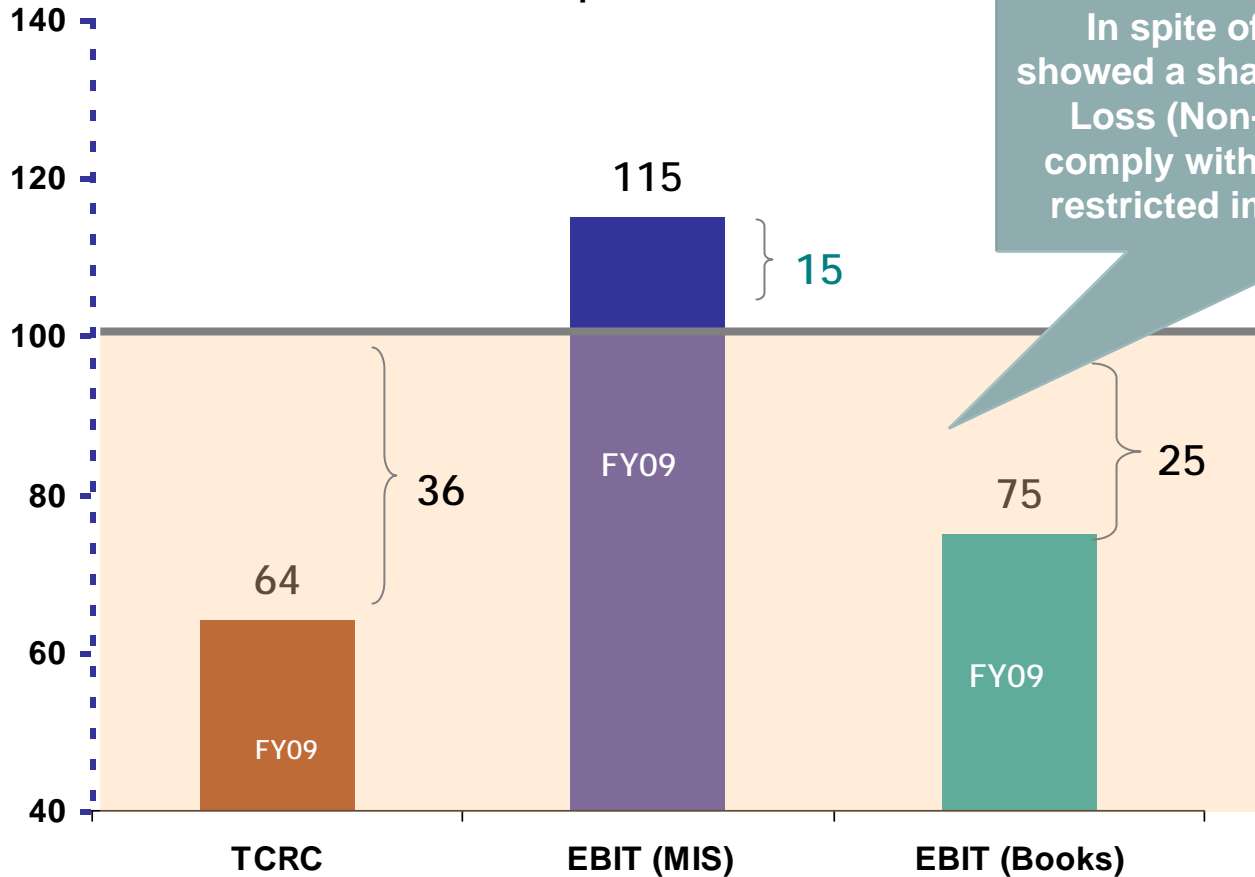
➤ ***Production lower on account of bi-annual shutdown otherwise production would have been higher by over 6%**

➤ **Highest ever anode production in March 09, post shutdown**

Marked Improvement in EBIT but for Notional Non-cash time lag loss....



TCRC , MIS EBIT & Reported EBIT Indexed.



In spite of sharp fall in TCRC EBIT showed a sharp rise. However, translation Loss (Non-Cash) booked in FY 09 to comply with reporting requirement has restricted improvement in 'Book' EBIT

FY08 Base = 100

Projects

- Smelter Expansion from 143 ktpa to 155 ktpa : 80% completed and rest by end June'09.
- Smelter Expansion from 155 ktpa to 206.6 ktpa i.e. addition of 80 Pots (of 235 KA) :
 - Pre-Project activities like soil testing and site related infrastructure activities for Smelter Expansion from 155 ktpa to 206.6 ktpa in progress.
 - GAMI technology for 235 KA potline is being finalized.
 - The project envisages additional power plant of 100 MW capacity.

Expected metal production - June 2011

- Land: Private land of 2770 acres - Section 9(1) completed. Cash distribution has commenced and transfer of land to commence by July'09.
- Process for govt. land of 500 acres to be completed in July'09.
- Coal: Coal block allotted. Production of Coal likely to start in FY 10
- Basic Engineering - 100% complete.
- Major turnkey packages orders finalized.
- Commitment made till May'09 is Rs. 3797 crores.
- Site work is expected to start by end July'09.
- Milestones :

First Metal by July 2011

First TG unit by Mar-2011

Coal by Jan 2011

- Detailed engineering will be fully completed by Sep'09.
- All necessary statutory approvals are in place for construction of Project.
- Commitment made till May'09 is Rs.3598 Crores. Long delivery orders placed.
- L & T, GDCL & other contractors are fully mobilized for civil & structural work.
- Environment Clearance – MoEF Clearance received for 3 million TPA.
- Mechanical Completion by Jan' 2011. May get delayed if site disturbances are frequent.

Greenfield Project – Utkal Alumina



L & T : Piling under progress for civil foundations of pipe racks



L & T Fabrication Yard : Gantry crane for fabrication – Load test under progress



RRCimney for CPP- Raft foundation



Stock pile of rolled plates for tankages



- Technology agreement with AP signed ,SIA clearance received.
- Basic Engineering -100% complete
- Major turnkey packages - orders finalized
- Commitment made till date: Rs.3465 Cr.
- 1500 acres of land already registered in the name of the company
- Soil testing - 95% complete. Boundary wall under construction
- Coal Block: JV Company MNH Shakti Ltd formed. Forest clearance proposal in progress.
- Expected date of Smelter Project completion(first metal) : Oct -2011



- Alumina Technology tie up with ALCAN signed. SIA clearance received
- Land acquisition at an advance stage. 66% of land registered in the name of company.
- EPCM for Co-Gen plant awarded to M/s M N Dasturco.
- Construction & Operation power : Work is going on as per plan.
- Railways: Rail layout plan approved by East Coast Railways
- Expected date of Refinery Project completion(extended) : June – 2013.

- Land Acquisition: 7000 acres of land earmarked
- Govt. land of about 1300 acres will be acquired in 2009.
- Tubed Coal Mine JV formed between Tata power and Hindalco.
- Water – Clearance received for 55 MCM water from Subarnarekha basin.
- Expected Commissioning date (extended): June 2013.

Financials - Consolidated



Particulars	Rs. Crores	
	FY 08	FY 09
Net Sales	60,013	65,625
Other Income	656	688
Operating PBIDTA	7,303	6,046
Non Cash Unrealised Derivatives Loss	12	2,381
PBITDA	7,291	3,665
PBIT	4,803	627
Profit before Tax	2,954	(605)
Tax*	641	(954)
Net Profit after MI and Share in Associates	2,193	485
Capital Employed	55,426	48,207
Net Worth	17,286	15,798
EPS (Basic) in Rs.	17.04	3.22

Thank You